17 DATE DISTR. 12 August 1948 COUNTRY Peru Political Situation ONFIDENTIAL SUBJECT NO. OF PAGES SUPPLEMENT TO CIA LIBRARY REPORT NO. PLACE ACQUIRED 25X1A DATE OF I 25X1X 1. President Bustamante is reported to have been planning the reorganization of his Cabinet, and among those mentioned as possible new members have been 32 Senator Hector Boza, Manuel Callagher, and Jose Quesada. 35 112.3 372. Bustamante has reportedly asked Boza to accept the Presidency of the new 2/3.1 Cabinet. Boza's reaction to this proposal is not known, but it is said that he approached Gallagher, offering him the post of Minister of Foreign Affairs. Gallagher declined. 3. The President is also said to be considering Jose Quesada, now Peruvian Ambassador to Argentina, for the post of Foreign Minister. Quesada has indicated to friends that he may be returning to Peru for reasons of health, but he has reiterated his many former statements that he would never serve in a Cabinet under Bustamante. According to the current opinion of the Civilista party, Quesada is still hoping to achieve the Presidency in 1952, and would be unlikely to prejudice his chances by accepting a Cabinet post at this time. 4. Manuel Prado is reported to be engaged in rebuilding the machinery of his party and is initiating a vigorous campaign to mobilize throughout the country the support of minor Government officials whom he knew as President. Recently, he has been sending his representatives all through the country carrying greetings from the ex-President. His son went to the Tingo Maria region with a list of these officials, to each of whom he was instructed to give special greetings. 5. Manuel Gallagher has stated that Prado's organization is not considered strong enough to seize power at present, but that few other organizations appear in as strong a position to take advantage of events if political responsibility should be "forced upon them". This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 13 October 1973 from the Director of Central Intelligence to the Archivist of the United States. Next Review Date: 2008 CLASSIFICATION STATE AVY X NSRB DISTRIBUTION ARMY WARNING NOTICE: THIS DISTRIBUTION LISTING MUST

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